

From: m nickle
To: Microsoft ATR
Date: 1/24/02 3:17pm
Subject: Microsoft Settlement

Dear Sir(s)/Madam(s),

As a worker in the technology industry and a student of economics, I have grave concerns about the proposed microsoft settlement. My concerns are as follows:

- 1.) By allowing Microsoft to participate in the ongoing development and marketing of operating systems, application software and online content, the plaintiff is essentially giving Microsoft the ability to continue to leverage its size and monolithic operating structure to intimidate competitors from entering the market.
- 2.) There are no safeguards put in place to prevent Microsoft from engaging in predatory pricing schemes to gain marketshare. As we have seen with their entrance into the Internet browser and multimedia server tools markets (media server), these dumping practices have an adverse affect on the competitors while reinforcing Microsofts illegal monopoly.
- 3.) By allowing Microsoft to continue to develop and market the leading software development environment (>85% market share), the government is allowing the defendant to continue to bundle proprietary APIs that are detrimental to a competitive market.

The solution that I would suggest is that Microsoft should be compelled to segregate their content (passport, MSN, Xbox), operating systems and application groups. Ideally this would be accomplished by appropriately dividing the company into seperate corporations. Alternatively these divisions could be turned into seperate operating companies under the same corporate umbrella. The former proposal would probably have the least impact to shareholders since the value of the various groups would be dispersed to them through new share issuances.

Ideally, these mini-Microsofts would be positioned to potentially compete against one another rather than collude as has been the case.

Thank you for the opportunity to comment on this ongoing issue.

Very respectfully,

Michael Nickle, CISSP

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